## CONFIDENTIAL

8-6013

19 August 1949

MEMORANDUM

SUBJECT: Arms Plant in Dominica

We have had information on this arms plant in Dominica for quite some time. The newspaper story was grossly exaggerated except for the principal fact that there is an arms plant existing at San Cristobal, just outside of Trajille City.

The capacity of the plant is greatly exaggerated in the new spaper account. The article stated that 600 small arms per day exald be produced. The best information this Agency has on the plant's capacity is that it would be fortunate if it produced 20 per day.

The article also gives the impression that the whole project was a Mungarian idea and that President Trujillo took over in Jame 1948. Actually, Trujillo's control began about a year and a half before that date, and all Trujillo did with the Hungarians was to obtain Hungarian technicians and Hungarian mechinery for his factory.

The most important aspect of this factory is its potentially adverse affect on the standardization of arms program. This Dominican factory will produce sub-machine guns of a type completely foreign to any United States equipment.

ES/NSC

Signed - dispatched to Addressee by hand 8/19

R. H. HILLENKORTTER Rear Admiral, USN Director of Contral Intelligence

D: RHH/gc Distribution:

Orig. & lcc - to ES/NSC for President

CC - DCI

1 cc - Central Records - w/news article & w/ER 0-6000 in triplicate

Note for Record: Reference attached article in Wash. Daily News, Wed., 8/17/49. Based on ORE 412799, ER 0-6000, 8/18/49, Memo for DCI.

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